

ILLINOIS DEPARTMENT OF REVENUE
1500 South Ninth Street
Springfield, Illinois 62708

INFORMATIONAL BULLETIN FY82-4

TO: All Retailers' and Users Qualifying for Manufacturing
Machinery and Equipment Exemption

SUBJECT: Public Act 82-23 - Manufacturing Machinery and Equipment
Exemption

The Illinois General Assembly recently enacted Legislation amending the Retailers' Occupation Tax Act, Use Tax Act, Service Occupation Tax Act and Service Use Tax Act to provide for a change in the applicable dates of exemption percentages claimed in sales or purchases of machinery and equipment used primarily in the process of manufacturing and assembling.

Effective September 1, 1981, the percentages of exemption have been modified and shall apply to the proceeds of such sales or cost price involving transactions qualifying under the original Public Act 80-1292 according to the following schedule:

For calendar year 1979	31.25% of the sale price
For calendar year 1980	31.25% of the sale price
January 1, 1981 thru August 31, 1981	56.25% of the sale price
September 1, 1981 thru December 31, 1981	31.25% of the sale price
For calendar year 1982	31.25% of the sale price
For calendar year 1983	56.25% of the sale price
For calendar year 1984	81.25% of the sale price
January 1, 1985 and after	100.00% of the sale price

The date of delivery of an item of machinery or equipment will be deemed to be the date of sale. The exclusion percentage in effect on that date of delivery will determine the tax due on the purchase of that machinery or equipment even if payment is made on an installment basis extending into a subsequent period of time when a different exemption rate is in effect.

To assist you in carrying out the requirements of this Act, the Department has prepared for your use Machinery and Equipment Exemption Certificates (Form RR-587) and a Machinery and Equipment Summary Schedule (Form RR-586). Detailed instructions appear on the reverse side of these forms.

You are permitted to reproduce these forms for your use PROVIDED YOUR COPY IS AN EXACT duplicate of the Department's form.

If you have any questions regarding the information provided, please feel free to contact the Department of Revenue, Taxpayer Service area at 312-793-3196 in Chicago or toll free (800) 252-8972 for those outside Cook County,

J. Thomas Johnson
Director Of Revenue

Issue Date: August, 1981

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